

PERFORMANCE WORK STATEMENT (PWS)
Systems Development and Operational Support
Task Order No: ID04120187

06/29/2016

Modification History:

Mod34: Release residual funds for task close out.

Mod33: Realignment of \$2800.00 from Travel to ODC (PWS paragraph 8.8.5)

Mod32:

- Decrease Extension 2 Travel Budgetary Estimate to \$37,249.19, PWS paragraph 8.8.5
- Decrease Extension 2 Training Budgetary Estimate to zero, PWS paragraph 8.8.5
- Increase Extension 2 ODC Budgetary Estimate to \$117,750.81, PWS paragraph 8.8.5
- Funding realignment of \$33,276.85 from travel to ODC

Mod31:

- Add incremental funding to Extension 2 period of performance
- Increase One Month Extension Travel budgetary estimate to \$10,183.01, PWS 8.8.5
- Decrease One Month Extension Material/ODC budgetary estimate to \$19,565.02, PWS 8.8.5
- Realign \$19.98 of funding from Material to Travel in One Month Extension
- Update/correct Option Year 2 Travel budgetary estimate, PWS 8.8.5
- Option Year 2 - Realign \$436.69 of funding from Travel to Training and CAF (Training in the amount of \$424.14 and CAF in the amount of \$12.55)

Mod30: Realign funding in Option Year Two and One Month Extension

Mod29:

- Align PWS 8.8.5, Budgetary Estimates to contractor's quote in previous modification.
- Add incremental funding to Extension 2 period of performance

Mod28:

- Extend task order through 01/31/2016, PWS 1.4
- PWS 8.8.5, Budgetary Estimates for five month extension

Mod27:

- Realign residual funds from OY2 to Extension period of performance
- Add incremental funding to Extension period of performance
- Realign \$2500.00 ODC ceiling to Travel Ceiling, Option Year 2, PWS 8.8.5
- Realign \$4000.00 ODC funding to CAF funding.

Mod26:

- Extend task through 08/31/2015, PWS paragraph 1.4
- Add estimated budget for extension travel and ODC, PWS 8.8.5

Mod25: De-ob Option Year Two funding in the amount of \$149,038.46, MIPR

(b) (4)

Mod24: Release residual funding from the base year in the amount of \$42.72.

Mod23: Add incremental Funding to Option Year Two

Mod22: Administrative modification to correct a calculation error on the previous modification SF30 for Option Year Two.

Mod21: No Cost modification to realign funding from Option Year One to Option Year 2.

Mod20: Administrative modification to correct typo error on the Funded Labor Ceiling dollar amount for Option Year Two.

Mod19: Add incremental funding to Option Year Two

Mod18: Add incremental funding to Option Year Two

Mod17: Add incremental funding to Option Year Two

Mod16: Exercise Option Year Two

Mod15: Option Year One realignment of \$75K from labor to ODC, paragraph 8.8.5, Budgetary Estimates.

Mod 14:

- In accordance with the workforce projection plan and PWS changes in paragraph 2.4, increase security positions for Risk Management Framework Implementation
- In accordance with the workforce projection plan, increase positions (network admin/system admin/applications) to handle increased project workload.
- In accordance with the workforce projection plan, delete one software developer position.

- PWS 8.2 – change Eglin AFB sites from 2 to 3.
- PWS 8.6.2 – add VOIP
- Realignment in option year one from labor to travel, paragraph 8.8.5

Mod 13: Add incremental funding to fully fund OY1

Mod 12: Add incremental funding to OY1

Mod11: Realign funding from Option Year One to the Base Year

Mod10: Realign funding from Base Year to Option Year One.

Mod09: Add incremental funding to OY1

Mod08: Administrative - To correct base year dollar amount error on SF30 for previous mod07 for labor and ODC.

Mod07: Base Year Realignment (labor & ODC budget) - No Cost Increase

Mod06: Exercise Option Year One

Mod 05:

- Realignment, add (b) (4) System Engineers and (b) (4) Project Manager, in accordance with Workforce Projection Plan
- Update POP start date, paragraph 1.4
- Paragraph 8.8.1, add Travel Expense Summary requirement
- Change/update budgetary estimates, paragraph 8.8.5
- Sustainable Acquisition FAR Clause Citations, paragraph 8.8.3.1
- Add Contractor Manpower Reporting, paragraph 10.0
- Paragraph 11.0, Attachment – Travel Expense Summary

Mod 04: Add incremental funding to fully fund the base year.

Mod03: Incremental Funding

Mod02:

- Add incremental funding to the Base Year
- Paragraph 8.22 Add - FAR 52.232-99, Providing Accelerated Payment to Small Business Subcontractors, (DEVIATION) (AUG 2012)

Mod 01:

- Add incremental funding
- Paragraph 1.4, insert award date in base year period of performance

1.0 Introduction: Work is to be accomplished for the United States Air Force (USAF), 53d Wing (WG) Operations, herein referred to as Client, through the General Services Administration (GSA), Federal Acquisition Service (FAS), Assisted Acquisition Services Division (AASD), Southeast Sunbelt Region.

1.1 Points of Contact:

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Client Representative (CR)

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1.2 Scope: This task order shall provide support directly to the 53d WG and Department of Defense (DoD) agencies involved with 53d WG operations. The 53d WG requires Information Technology (IT) technical support for weapons and computer systems to support systems development and operations activities. This support includes a wide variety of combat systems engineering network support, test and evaluation support, security

(computer/physical/personnel), software, database and computer systems development, project and configuration management, and operational test and evaluation support. These efforts are required for USAF military operations. These communications and weapons systems are interrelated due to coordinated development programs, weapons systems integration issues, and use of common communications systems, databases and test assets.

1.3 Task Order Type: Severable – Time and Material

1.4 Period of Performance:	Base Period:	08/01/2012- 07/31/2013
	Option Year 1:	08/01/2013 - 07/31/2014
	Option Year 2:	08/01/2014 - 07/31/2015
	Extension:	08/01/2015 – 08/31/2015
	Extension 2:	09/01/2015 – 01/31/2016

52.217-8, Option to Extend Services (Nov 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within thirty (30) calendar days of the end of the task order.

52.217-9, Option to Extend the Term of the Contract (Mar 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within thirty (30) calendar days before the contract expires; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least sixty (60) calendar days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed three (3) years and six (6) months.

The following clause is incorporated by reference:

52.217-5, Evaluation of Options (Jul 1990)

2.0 Performance Requirements - Networks and Computer Systems

Development and Operation: The contractor shall provide the following systems development and operations support:

- 2.0.1** Develop and implement worldwide, classified network system(s) in support of multiple government organizations by developing and installing local and wide area classified and unclassified

networks using commercial off the shelf (COTS) hardware and software. Provide operational support for network systems, including data distribution systems and management support software and databases.

- 2.0.2** Provide software development/coding for in-house directed projects supporting sharepoint, configuration management, network management capabilities such as Identity Management, etc.
- 2.0.3** Provide computer network program management functions.
- 2.0.4** Provide network systems security certification and accreditation requirements interpretation/application/implementation support for the technologies developed in paragraphs 2.1, 2.2, 2.3, and 2.4.
- 2.0.5** Evaluate/implement new/future technical advances into the systems developed in paragraphs 2.1 and 2.2 as they would apply to computer networks and Mission Support Center (MSC) operations.

2.1 Network Support: The contractor shall define requirements for the design, installation and operation of classified local and wide area networks hardware and software systems up to Top Secret/Sensitive Compartmented Information (TS/SCI). The contractor shall have hands-on capability to install the required hardware and software in development and operational classified network environments, support government certification of the network, and operate and maintain the network hardware, software, and wiring/drops where permissible. The government will be responsible for sparing and tech refresh requirements. The contractor shall develop capabilities to interface new network designs into existing Clearcube (and similarly based technologies) environments and other diskless client environments. The contractor shall provide system administration/operations on systems/technologies such as Fortinet and Logrhythm in a development and operational environment. The contractor shall provide help desk capabilities for functional networks and database clients. The contractor will define requirements for high-level secure computer networks as directed by Air Combat Command/higher level command organizations/program management offices.

2.2 Software: The contractor shall provide support in operation and design of SQL programming applications, Oracle databases, and applications in a distributive environment across multiple servers including, but not limited to, Microsoft (MS) SharePoint (to include unclassified and classified applications). In addition, the contractor will develop in-house products, as required, to support MSC operations. Software tasks to be performed shall include:

- Requirements Definition/Requirements Gathering
- Quick Prototype Development
- High level and detailed application and data design

- Software Coding
- Debugging/Troubleshooting
- Field and Installation
- Maintenance
- Future version releases for in-house developed software

2.3 Project/Configuration Management: The contractor shall provide program management to ensure efficient management of the task order and related support activities. The contractor shall provide project management to ensure efficient management of support activities required to support the electronic warfare and test and evaluation missions. These actions include, but not limited to, documenting requirements and analysis of organization needs relating to weapons systems and computer systems. This position shall also assist the government in performing configuration management functions. These functions shall include, but not be limited to, working with user sites on network connectivity requirements, standard desktop configuration requirements, tracking/shipping equipment, and software requirements supporting the configuration management process.

2.4 Network Systems Security: The contractor shall provide selected staff as Information Assurance Manager(s) (IAM) as determined by the government. The IAM shall perform all responsibilities in accordance with JAFAN 6/3, DCID 6/3, Joint Security Implementation Guide (JSIG), Dod Joint Security Implementation Guide (DJSIG), or other applicable documentation as designated by the government. The contractor shall perform all Information Assurance Officer (IAO) responsibilities in accordance with JAFAN 6/3 and DCID 6/3, JSIG, DJSIG, or other applicable documentation as designated by the government, providing guidance and assistance to units involved in classified activities, as required. Establish and maintain accreditation for all Information Systems (IS) operating within a classified environment. Assist unit Information Assurance Manager (IAM) in developing sanitation and secure data extraction program for media, security incident clean-up plans, system certification testing plan, vulnerability testing, and protection measure procedures. Maintain continuous positive control and accountability of all IS hardware and software entered into and removed from classified facilities. Assist with the evaluation of commercial- and government-off-the-shelf hardware and software with recommendations to management on the products.

2.5 Future Systems: The contractor shall maintain a working knowledge of Application Programming Interfaces (APIs, the integration of databases with Oracle Label Security, virtualization hardware and software capabilities, all Microsoft capabilities, Voice Over Internet Protocol (VOIP), and the overall workings computer requirements necessary to support that process.

3.0 Performance Criteria Matrix:

Performance Indicators	Performance Standards	AQL	Method of Surveillance
2.1 Networks Support	-Network up-time -Problem resolution/repair times -Encryption device operations	98%	-Customer Complaints -Periodic Inspection
2.2 Software	-Software coding usage/correctness	98%	-Customer Complaints -Periodic Inspection
2.3 Project/Configuration Management	-Documentation Availability -Suspenses Met	98%	-Government Review
2.4 Network Systems Security	-Minimal security incidents -Incident response	98%	-Government Review
2.5 Future Systems	-Responsiveness, when tasked	98%	-Government Review
8.11.1 & 8.11.2 MSR & FSR Reports	Due on the 10 th business day following the close of the calendar month	95%	100% Inspection
8.11.3 Other Reports	Due on the 15 th business day following the close of the calendar month as required.	95%	100% Inspection

4.0 Task Order Deliverables: All deliverables shall be delivered to the CR no later than the specified dates stated in the Performance matrix in Section 3.0.

5.0 Initial Business and Technical Meeting: Within ten (10) business days following the task award date, contractor will meet with the Client to review goals and objectives of this task order, discuss technical requirements, and review transition plans.

6.0 Records/Data: The government asserts unlimited rights to all data, software, and applications developed under the subject task order.

The following clauses are incorporated by reference:

DFAR 252.227-7013, Rights in Technical Data--Noncommercial Items

DFAR 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.

- 7.0 Inspection and Acceptance:** Inspection and acceptance will occur in accordance with FAR 52.246-3, Inspection of Services – Cost Reimbursement. In the absence of other agreements negotiated with respect to time provided for government review, deliverables will be inspected and the contractor notified of the CR's findings within five (5) work days of normally scheduled review. If the deliverables are not acceptable, the CR will notify the PM immediately.
- 7.1 Unsatisfactory Work:** Performance by the contractor to correct defects found by the Government as a result of quality assurance surveillance and by the contractor as a result of quality control, shall be at its' own expense and without additional reimbursement by the government. Unless otherwise negotiated, the contractor shall correct or replace all non-conforming services or deliverables not later than five (5) workdays after notification of non-conformance.
- 7.2 Quality Control:** The contractor shall provide and maintain a Quality Control Plan (QCP) that contains, as a minimum, the items listed below to the CR and PM for acceptance not later than ten (10) calendar days after award. The PM will notify the contractor of acceptance or required modifications to the plan. The contractor shall make appropriate modifications and obtain acceptance of the plan within thirty (30) calendar day from the date of award.

The QCP shall include the following minimum requirements:

- A description of the inspection system to cover all major services and deliverables. The description shall include specifics as to the areas to be inspected on both a scheduled and unscheduled basis, frequency of inspections, and the title of inspectors.
 - A description of the methods to be used for identifying and preventing defects in the quality of service performed.
 - A description of the records to be kept to document inspections and corrective or preventative actions taken.
 - All records of inspections performed shall be retained and made available to the Government upon request throughout the task order performance period, and for the period after task order completion, until final settlement of any claims under this task order.
- 7.3 Quality Assurance:** The Government will evaluate the contractor's performance of this task order. For those tasks listed in the Performance

8.0 Terms and Conditions:

8.2 Place of Performance: Eglin AFB FL.

- 8.3 Hours of Operation:** The core workday is 7:30AM to 4:30PM, Monday-Friday (excluding Federal holidays). However, the workday may begin as early as 5:00AM and end as late as 7:00PM with the requirement being eight hours of work per day. Normal duty hours are eight hours per day, however, when TDY, work hours may vary.

days, etc), the contractors will be allowed to charge their time in whatever manner is applied to government civilians.

Overtime is not anticipated on this task. Overtime is defined as hours billed at a premium over and above the awarded labor rate. Any use of overtime must be prior approved by the Contracting Officer.

Extended hours may be authorized by the government Program Manager. Extended hours are defined as any hours in excess of eighty (80) hours in a two (2) week billing period. Any use of extended hours must be prior approved by the government Program Manager.

In some cases, contractor personnel may be allowed to use the Extra Day Off (EDO) schedule (5-4-9). However, this will be approved on a case-by-case basis with mission needs taking priority. Before a contractor can utilize the EDO schedule, it must be approved at the squadron commander level.

- 8.4 Task Management:** The client shall identify a Client Representative (CR) and an Alternate Client Representative (ACR). Management of this task will be performed by GSA through the CR. The CR will participate in project meetings and receive task order deliverables. The CR will provide technical assistance and clarification required for the performance of this task. Deliverables must be submitted through GSA's Web-Based Order Processing System (currently ITSS) for client approval.

8.4.1 Contracting Officer's Representative (COR) Designation: After task order award, the Contracting Officer will appoint a COR and issue a COR Designation Letter stating the authority of the COR. The contractor will receive a copy of the written designation.

The following clause is incorporated by reference:

**DFARS 252-201-7000 Contracting Officer's Representative
(Dec 1991)**

- 8.5 Key Personnel:** A single onsite task lead shall be designated for the overall effort. The task lead shall be an experienced and responsible individual accustomed to liaison activity with management-level activities of DoD. The task lead shall be responsible for the actions necessary to ensure efficient task management and shall be delegated the necessary authority to make on-site decisions. These actions include control over personnel utilization and hours expended and authorization of material and travel expenditures. The task lead is considered key personnel and need to be identified in the technical proposal. Task lead duties can be combined with other technical duties performed in Section 2.0. For example, the task lead may also be a senior technical employee performing both functions (i.e. 25% - 75%

respectively). Key personnel may not be added nor removed from the task without notification of the GSA project manager or the contracting officer. The contractor must attach a copy of the request and approval to the project in ITSS. The contractor shall identify proposed personnel in their quote. Any substitution of key personnel must be of equally qualified individuals as those identified in the contractor's proposal.

8.6 Expertise: The Contractor shall provide personnel with expertise in the following areas (but not limited to):

8.6.1 Software: Visual Basic, SQL Server, ORACLE, Javascript, Windows 2000 Server, Windows 2003 Server, Windows 2008 Server, Vista, Windows 7, UNIX variants, Windows XP, Worldgroup

8.6.1.1 The contractor shall specifically support the Specialized Electronic Combat Tool Kit and Reprogramming Environment (Spectre) software. If necessary, the contractor shall obtain any subcontractor/consultant agreements that may be required.

8.6.2 Hardware: Computer servers, routers, switches, encryption devices (Secterra In-line Network Encrypter (INE), TACLANEs, KG-250, KIVs, Talon, Omni, Secterra Wire-line), fiber wiring, Cat 5 wiring, Sun servers, Logrhythm devices, Fortinet equipment, VOIP.

8.6.3 Consolidated Scheduling Enterprise (CSE)

8.6.4 Security Training: All personnel in positions of "elevated privileges" per DoD Regulation 8570 shall have, or shall obtain NLT 31 Dec 2012, necessary certification to comply with 8570 mandates. Any new personnel hired that require "elevated privileges", shall have or shall obtain required training NLT 6 months after hire. Position requirements are addressed in the attached "*Workforce Projection*."

8.7 Government Furnished Items and Information: The Government will provide the contractor a dedicated work area for on-site support. The Government will make available, desks, work space, utilities, electric power hook-up, computers, access to copiers, access to a facsimile machine, and telephone services, to include local calls through standard government assets. The contractor shall be provided the authority to access all information required to perform duties. All Government Furnished Equipment (GFE) shall be utilized in strict performance of contract related duties and the contractor shall maintain policies that prohibit fraud and abuse. The Government shall

provide access to all necessary documentation and facilities required for this effort.

- 8.8 Reimbursable Costs:** The inclusion of reimbursable costs is a direct allocation of costs associated with support of this task order. Travel, Training, and Material/Other (all referred to as Other Direct Costs (ODCs)) incurred shall be funded and approved in writing by the government prior to commencement. The government may modify requirements to increase or decrease task related reimbursable costs based on need and associated cost. All costs should be billed based on actual expenditures. General & Administrative (G&A) charges shall be separately identified as a separate line item. The contractor shall report to the government when 75% of awarded reimbursable costs have been expended for each cost element (Travel, Training, and Materials/Other).

8.8.1 Travel: Travel may be required to fulfill the requirements of this task. The contractor shall ensure that the requested travel costs shall not exceed what has been authorized in the task order. Actual expenses limited by the Government Joint Travel Regulations and must be pre-approved by the client. Contractor incurred expenses resulting from Government directed travel shall be cost reimbursable. Locations and duration of travel cannot be established at this time. Monthly invoices must have an electronic copy of the travel expense summary attached to the invoice for travel charges incurred for the month.

8.8.2 Training: The client agency may request the contractor to attend conferences, symposiums and training sessions to provide interface and attain knowledge necessary for the performance of client requirements. The contractor may be required to provide training for contract support personnel in the following areas: Software (Win2008/2008R2/2012 Server, SQL, Visual Basic, C++, Oracle), Hardware (PCs, Linux Servers, Cisco products, Security training, Documentum, Tumble Weed, Fortinet Technology, Logrhythm, Security Plus, Network+ and other network/information assurance certification requirements. When deemed necessary by the government program manager, the government may fund required training classes. However, for these particular training classes, the Contractor shall be responsible for the retraining cost of replacement support staff not possessing the required expertise under this task order for any individual contractor personnel trained at the government expense within one year of completion of the original training provided. The retraining shall be at no additional expense to the government.

8.8.3 Material/Other: The contractor may be required to obtain materials for the performance of this task. Those materials must be incidental

to and associated with the overall functions being performed through this task order. Prior to purchasing any materials, the contractor shall identify specific requirements to the Contracting Officer, who will determine whether they are necessary and integral to the performance of the task and document an affirmative decision via an action memo in the GSA IT Solutions Shop (ITSS) web-based order processing system designated electronic contract management system.

The contractor may be required to provide material cost items for support for items like local file checks and passports. Contractor teaming, partnering, and subcontracting shall be acceptable to provide a total solution for materials in support of this requirement. The contractor should always determine price reasonableness prior to selecting a teaming partner for materials. The contractor shall maintain files in such a manner that the Contracting Officer could review them upon request to ensure price reasonableness and compliance with DCAA/Federal procurement regulations. It is estimated the contractor shall be required to provide the following materials in support of this task order: Servers, cables, PC Computers, and miscellaneous common commercially available electronic/IT items may be required at install sites to efficiently and cost effectively provide support for this task order.

If it is deemed necessary by the government, the contractor may be required to provide temporary workspace off Eglin AFB. This may occur in the event the contractor's current workspace must be renovated. The workspace shall be able to accommodate any project currently being performed by the contractor (as directed by the government) to include server space, desk space, power, fire suppression, security, and air conditioning.

8.8.3.1 Sustainable Acquisition FAR Clause Citations

FAR Subpart 52.223-1 – Biobased Product Certification – Products

FAR Subpart 52.223-2 – Affirmative Procurement of Biobased Products Under Service and Construction Contracts

FAR Subpart 52.223-4 – Recovered Material Certification

FAR Subpart 52.223-9 – Estimate of Percentage of Recovered Material Content for EPA Designated Items

FAR Subpart 52.223-15 – Energy Efficiency

FAR Subpart 52.223-16 – IEEE 1680 Standard for the Environmental Assessment for the Environmental Assessment of Personal Computer Products

8.8.4 G&A: If applicable, the contractor shall identify the G&A and cost associated with individual ODCs. The contractor shall maintain calculations of available contract dollars budgeted and reflect G&A and reimbursable ODC line items separately in the monthly financial reports. The application of G&A on ODCs must be in accordance with a contractor's cost accounting standards and disclosure statements.

8.8.5 Budgetary Estimates: All cost budgets noted below are inclusive of G&A:

Mod33 – CHANGE BUDETARY ESTIMATES TO READ AS FOLLOWS:

	Travel	Training	Materials/Other
Base Period:	\$50,000	\$0.00	\$132,103.62
Option Year 1:	\$60,000	\$10,000	\$197,375.50
Option Year 2:	\$67,726.91	\$10,000	\$232,500.00
Extension:	\$10,183.01	\$0.00	\$19,565.02
Extension 2:	\$34,449.19	\$0.00	\$120,551.81

Mod32 – CHANGE BUDETARY ESTIMATES TO READ AS FOLLOWS:

	Travel	Training	Materials/Other
Base Period:	\$50,000	\$0.00	\$132,103.62
Option Year 1:	\$60,000	\$10,000	\$197,375.50
Option Year 2:	\$67,726.91	\$10,000	\$232,500.00
Extension:	\$10,183.01	\$0.00	\$19,565.02
Extension 2:	\$37,249.19	\$0.00	\$117,750.81

	Travel	Training	Materials/Other
Base Period:	\$70,000	\$15,000	\$10,000
Option Year 1:	\$70,000	\$15,000	\$10,000
Option Year 2:	\$70,000	\$15,000	\$10,000

~~CHANGE BUDETARY ESTIMATES TO READ AS FOLLOWS:~~

	Travel	Training	Materials/Other
Base Period:	\$50,000	\$0.00	\$105,000 \$132,103.62
Option Year 1:	\$60,000	\$10,000	\$122,000 \$197,375.50
Option Year 2:	\$60,000	\$10,000	\$235,000
Option Year 2:	\$62,500	\$10,000	\$232,500
Option Year 2:	\$67,726.91	\$10,000.00	\$232,500.00
Extension:	\$5000.00	\$0.00	\$19,585.00
Extension:	\$10,183.01	\$0.00	\$19,565.02
Extension 2:	\$25,000.00	\$0.00	\$97,925.00

Extension 2: ~~———— \$45,000.00 \$10,000.00 \$100,000.00~~

- 8.9 Privacy Act:** Work on this project may require that personnel have access to Privacy Information. Personnel shall adhere to the Privacy act, Title 5 of the U.S. Code, Section 552a and applicable agency rules and regulations. The contractor shall comply with DoD Regulation 5400.7/Air Force Supplement, *DoD Freedom of Information Act Program*, and AFI 33-332, *Privacy Act Program*. These directives set policy and procedures for the disclosure of records to the public and for making, handling, transmitting, and safeguarding For Official Use Only (FOUO) material. In addition, they set guidelines for collecting, safeguarding, maintaining, using, accessing, amending, and disseminating personal data kept in systems of records.
- 8.10 Security:** Access to sensitive compartmented information (SCI) facilities and material shall be required. The contractor shall provide personnel that have TS/SCI clearance eligibility. The contractor shall meet all requirements for having a Secret facility IAW DoD 5220.22-R Paragraph 2-301. No Top Secret information shall be discussed/stored/processed at the contractor's facility. For most positions, a current Top Secret (TS)/Sensitive Compartmented Information (SCI) clearance will be required (as outlined in the attached "*Workforce Projection*").
- 8.11 Monthly Reports:** MSR and FSR reports shall be due on the tenth (10th) business day following the close of the calendar month. Each report shall be submitted in the GSA's electronic Web-Based Order Processing System (currently ITSS).
- 8.11.1 Monthly Status Report (MSR):** The contractor shall provide an MSR for each task that shows the progress in hours and funds expended on each task, remaining funds for each task, and describes the major activities accomplished during the month. The report shall list the individual names of personnel who worked on each task and the hours billed by each individual for that reporting period. The MSR should also include any current or anticipated problems and briefly summarize the activity planned for the next reporting period. A copy of the monthly report shall be provided to the Government Program Manager and submitted into ITSS no later than the 15th workday of every month.
- 8.11.2 Financial Summary Report (FSR):** A financial summary for completion of each deliverable or monthly support effort shall be electronically delivered to the Client Representative via GSA electronic contract management system by the 10th business day of each month for client acceptance. A copy of the invoice

shall be attached to the FSR posted in GSA Information Technology Solution Shop (ITSS) <http://it-solutions.gsa.gov>. The FSR shall be in Microsoft Excel format and an e-mail shall be sent to the GSA Project Manager to notify them the invoice has been submitted in ITSS for acceptance. Upon client acceptance of the FSR in GSA IT Solutions, the contractor shall then invoice GSA for payment.

The FSR shall include labor charges for actual hours worked and Other Direct Cost (ODC), which are authorized in the task (e.g., travel, training, etc.). Charges shall not exceed the authorized cost limits established for labor and ODC's. The government will not pay any unauthorized charges. Original receipts, travel vouchers, etc. completed in accordance with Government Travel Regulations shall be maintained by the contractor to support charges other than labor hours and made available to Government auditors upon request.

The FSR shall include the following broken out by task identified in Section 3.0:

- Labor hours for each skill level (SL) category (specify the contractor employee name and SL);
- Total labor charges for each skill category;
- Other Direct Charges (ODC). (ODCs must be individually itemized and specified by each individual category). (i.e. travel and per diem, training, security check fees, commodities, etc);
- Total ODC charges (G&A included - if allowed); and,
- Total monthly charges.

Note: Travel charges must include the traveler's name, dates of travel, destination, purpose of travel and cost for each trip.

8.11.3 Other Reports: Other reports shall be due on the fifteenth (15th) business day following the close of the calendar month. The contractor shall write quick-look, interim, and final test reports, investigation and study reports, travel reports, and conference minutes as required.

8.12 Personal Service: The client has determined that use of the GSA contract to satisfy this requirement is in the best interest of the government, economic and other factors considered, and this task order is not being used to procure personal services prohibited by the Federal Acquisition Regulation (FAR) Part 37.104 titled "Personal Services Contract".

8.13 Problem Resolution: The contractor shall bring problems, or potential issues, affecting performance to the attention of the CR and GSA PM as soon as possible. Verbal reports will be followed up with written reports when directed. This notification shall not relieve the Contractor of its responsibility to correct problems for which they are responsible. The Contractor will work cooperatively with the Government to resolve issues as they arise.

8.14 Task Order Funding: It is anticipated that the task will be incrementally funded. The contractor shall not perform work resulting in charges to the Government that exceed obligated funds.

The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next sixty (60) days, when added to all costs previously incurred, will exceed 75 percent of the total amount so far allotted to the contract/order by the Government. The notice shall state the estimated amount of additional funds required to continue performance of the contract/order for the specified period of performance or completion that task.

Sixty days (60) before the end of the period specified in the Schedule, the Contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the Schedule or otherwise agreed upon, and when the funds will be required.

The Government is not obligated to reimburse the contractor for charges in excess of the contract/order funded amount and the contractor is not obligated to continue performance or otherwise incur costs that could result in charges to the Government in excess of the obligated amount under the contract/order.

The following clauses are incorporated by reference.

FAR 52.232-18, Availability of Funds. (Apr 1984)

DFAR 252.209-7999 Class Deviation - Representation by Corporations Regarding an Unpaid Delinquent Tax Liability or a Felony Conviction under any Federal Law

8.15 Ceiling Price Notification: If at any time the Contractor has reason to believe that the hourly rate payments and material costs that will accrue in performing this contract in the next succeeding thirty (30) days, if added to all other payments and costs previously accrued, will exceed 85 percent of the ceiling price in the Schedule, the Contractor shall notify the Contracting

Officer giving a revised estimate of the total price to the Government for performing this contract with supporting reasons and documentation.

8.17 Past Performance Reporting: In accordance with FAR 42.15, Contractor Performance Information, interim and final past performance information will be submitted by the Contracting Officer or COR through the Contractor Performance Assessment System (CPARS) for archive in the Past Performance information Retrieval System (PPIRS). The CPARS process allows the contractor to view and comment on the Government's evaluation of the contractor's performance. To that end, contractor's shall register in CPARS and the registration shall be completed within 45 days after award. Once the contractor past performance evaluation is finalized in CPARS, it will be transmitted into the Past Performance Information Retrieval System (PPIRS). The Contracting Office Director will make the final decision regarding disagreements related to performance evaluations between the contracting officer and the contractor.

8.18 Section 508 Compliance: The Industry Partner shall support the Government in its compliance with Section 508 throughout the development and implementation of the work to be performed. Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d) requires that when Federal agencies develop, procure, maintain, or use electronic information technology, Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who do not have disabilities, unless an undue burden would be imposed on the agency. Section 508 also requires that individuals with disabilities, who are members of the public seeking information or services from a Federal agency, have access to and use of information and data that is comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.

The Industry Partner should review the following Web sites for additional 508 information:

<http://www.section508.gov/index.cfm?FuseAction=Content&ID=12>
<http://www.access-board.gov/508.htm>
<http://www.w3.org/WAI/Resources>

8.19 Reporting Executive Compensation and First-Tier Subcontract Award: Unless otherwise directed by the contracting officer, reporting must occur by the end of the month following the month of award of a first-tier subcontract with a value of \$25,000 or more, (and any modifications to these subcontracts that change previously reported data). Reporting on first-tier subcontracts is done at the Federal funding accountability and Transparency Act Subaward Reporting system (FSRS) at <http://www.fsrs.gov>.

Reporting on executive compensation is done at the Central Contractor Registration at <http://www.ccr.gov>. Reporting on executive compensation occurs by the end of the month following the month of a contract award, and annually thereafter. The contractor shall report the names and total compensation of each of the five most highly compensated executives for the contractor's preceding fiscal year.

The contractor shall refer to the following clause incorporated by reference for exceptions and further guidance.

FAR 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (July 2010)

- 8.20 Invoicing and Vouchering for Payment:** Invoices/Vouchers shall be submitted simultaneously to GSA's electronic Web-Based Order Processing System (currently ITSS) and to GSA's Accounts Payable Branch not later than five (5) workdays after acceptance by the Government of the product, service, and/or cost item. In the absence of Government acceptance of services within thirty (30) days, the contractor shall submit an invoice. Invoices shall be submitted monthly through GSA's electronic Web-Based Order Processing System (currently ITSS) to allow the client to electronically accept and certify services received by the CR. Electronic acceptance by the CR is considered concurrence and acceptance of services. The Contractor shall also submit a proper invoice to GSA's Accounts Payable Branch.

Original invoices shall be marked (stamped) "Original Copy" and submitted to GSA. For revised invoices, the Contractors should provide: 1) a distinguishing invoice number, 2) a brief explanation and 3) a cross reference to any previous invoice submission(s) for purposes of tracking and avoiding duplicate payments. The contractors can distinguish revised invoices by inserting an "R" at the end of the original invoice number, i.e. Inv123456 (original), Inv123456R (revised).

Contractor may submit an electronic invoice on GSA's Ft. Worth web site, www.finance.gsa.gov, or mail a hardcopy to the following address. Electronic posting is preferred and will result in a quicker payment. **NOTE: Only use one method of submission, web site or regular U.S. mail, but not both.**

Hardcopy invoice shall be submitted to:

General Services Administration
Financial Operations and Disbursement Branch (BCEB)
P.O. Box 219434
Kansas City, MO 64121-9434

The contractor's invoice will be submitted monthly for work performed the prior month. The contractor may invoice only for the hours, travel and unique services ordered by GSA and actually used in direct support of the client representative's project. The invoice shall be submitted on official letterhead and shall include the following information at a minimum.

- GSA Task Order Number
- Task Order ACT Number
- Remittance Address
- Period of Performance for Billing Period
- Point of Contact and Phone Number
- Invoice Amount
- Skill Level Name and Associated Skill Level Number
- Actual Hours Worked During the Billing Period
- Travel Itemized by Individual and Trip (if applicable); backup information must be provided in either the TSR (or separately) to substantiate the traveler's name, dates of travel, destination, purpose of travel and cost (airfare, lodging, per diem and other expenses) for each trip. This information must be provided in enough detail to allow GSA to verify compliance with the FTR.
- Training Itemized by Individual and Purpose (if applicable)
- Material Itemized by Specific Item and Amount (if applicable)
- Itemized Indirect Charges by Cost Element in accordance with an approved cost accounting system.
- Invoices for final payment must be so identified and submitted when the task has been completed and no further charges are to be billed.

The contractor's information in the Central Contractor Registration (CCR), <http://www.ccr.gov>, must always match the contractor's information in GSA's electronic Web-Based Order Processing System (currently ITSS). Incorrect or non-matching information is the contractor's responsibility and will result in rejected invoices or other similar delays in payment.

The following clauses are incorporated by reference

FAR 52.212-4, Contract Terms and Conditions—Commercial Items, Alternate I (FEB 2007)

FAR 52.216-31, Time and Materials/Labor Hour Proposal Requirements—Commercial Item Acquisition (FEB 2007)

- 8.21 Task Order Closeout:** The contractor shall submit a final invoice within forty-five (45) calendar days after the end of the Performance Period. After the final invoice has been paid the contractor shall furnish a completed and

signed Release of Claims (GSA Form 1142) to the Contracting Officer. This release of claims is due within fifteen (15) calendar days of final payment.

8.22 Other FAR (with fill-ins) & DFAR Clauses in FULL –TEXT:

FAR 52.216-7, Allowable Cost and Payment (Dec 2002)

(a) Invoicing.

(1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) [Subpart 31.2](#) in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at [52.232-25](#).

(3) The designated payment office will make interim payments for contract financing on the 30th day after the designated billing office receives a proper payment request. In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

(b) Reimbursing costs.

(1) For the purpose of reimbursing allowable costs (except as provided in paragraph (b)(2) of this clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term “costs” includes only—

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for—

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made—

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily within 30 days of the submission of the Contractor’s payment request to the Government;

(B) Materials issued from the Contractor’s inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless—

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(d) Final indirect cost rates.

(1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with [Subpart 42.7](#) of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(6)(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may—

(A) Determine the amounts due to the Contractor under the contract; and

(B) Record this determination in a unilateral modification to the contract.

(ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates—

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR [42.708](#)(a) are satisfied.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be—

(1) Reduced by amounts found by the Contracting Officer not to constitute allowable costs; or

(2) Adjusted for prior overpayments or underpayments.

(h) Final payment.

(1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(5) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver—

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except—

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)

FAR 52.222-2, Payment for Overtime Premiums (July 1990)

(a) The use of overtime is authorized under this contract if the overtime premium does not exceed **ZERO** or the overtime premium is paid for work—

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall—

(1) Identify the work unit; **e.g.**, department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and

(4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

(End of clause)

DFAR 252.215-7002, COST ESTIMATING SYSTEM REQUIREMENTS (DEC 2006)

(a) *Definitions.*

“Acceptable estimating system” means an estimating system that—

(1) Is maintained, reliable, and consistently applied;

(2) Produces verifiable, supportable, and documented cost estimates that are an acceptable basis for negotiation of fair and reasonable prices;

(3) Is consistent with and integrated with the Contractor’s related management systems; and

(4) Is subject to applicable financial control systems.

“Estimating system” means the Contractor’s policies, procedures, and practices for generating estimates of costs and other data included in proposals submitted to customers in the expectation of receiving contract awards. Estimating system includes the Contractor’s—

(1) Organizational structure;

(2) Established lines of authority, duties, and responsibilities;

- (3) Internal controls and managerial reviews;
- (4) Flow of work, coordination, and communication; and
- (5) Estimating methods, techniques, accumulation of historical costs, and other analyses used to generate cost estimates.

(b) *General.* The Contractor shall establish, maintain, and comply with an acceptable estimating system.

(c) *Applicability.* Paragraphs (d) and (e) of this clause apply if the Contractor is a large business and either—

- (1) In its fiscal year preceding award of this contract, received Department of Defense (DoD) prime contracts or subcontracts, totaling \$50 million or more for which cost or pricing data were required; or

- (2) In its fiscal year preceding award of this contract—

- (i) Received DoD prime contracts or subcontracts totaling \$10 million or more (but less than \$50 million) for which cost or pricing data were required; and

- (ii) Was notified in writing by the Contracting Officer that paragraphs (d) and (e) of this clause apply.

(d) *System requirements.*

- (1) The Contractor shall disclose its estimating system to the Administrative Contracting Officer (ACO) in writing. If the Contractor wishes the Government to protect the information as privileged or confidential, the Contractor must mark the documents with the appropriate legends before submission.

- (2) An estimating system disclosure is acceptable when the Contractor has provided the ACO with documentation that—

- (i) Accurately describes those policies, procedures, and practices that the Contractor currently uses in preparing cost proposals; and

- (ii) Provides sufficient detail for the Government to reasonably make an informed judgment regarding the acceptability of the Contractor's estimating practices.

- (3) The Contractor shall—

- (i) Comply with its disclosed estimating system; and

- (ii) Disclose significant changes to the cost estimating system to the ACO on a timely basis.

(e) *Estimating system deficiencies.*

- (1) The Contractor shall respond to a written report from the Government that identifies deficiencies in the Contractor's estimating system as follows:

- (i) If the Contractor agrees with the report findings and recommendations, the Contractor shall—

(A) Within 30 days, state its agreement in writing; and

(B) Within 60 days, correct the deficiencies or submit a corrective action plan showing proposed milestones and actions leading to elimination of the deficiencies.

(ii) If the Contractor disagrees with the report, the Contractor shall, within 30 days, state its rationale for disagreeing.

(2) The ACO will evaluate the Contractor's response and notify the Contractor of the determination concerning remaining deficiencies and/or the adequacy of any proposed or completed corrective action.

(End of clause)

DFAR 252.215-7003, EXCESSIVE PASS-THROUGH CHARGES – IDENTIFICATION OF SUBCONTRACT EFFORT (MAY 2008)

(a) *Definitions.* “Added value,” “excessive pass-through charge,” “subcontract,” and “subcontractor,” as used in this provision, are defined in the clause of this solicitation entitled “Excessive Pass-Through Charges” (DFARS [252.215-7004](#)).

(b) *General.* The offeror’s proposal shall exclude excessive pass-through charges.

(c) *Performance of work by the Contractor or a subcontractor.*

(1) The offeror shall identify in its proposal the total cost of the work to be performed by the offeror, and the total cost of the work to be performed by each subcontractor, under the contract, task order, or delivery order.

(2) If the offeror intends to subcontract more than 70 percent of the total cost of work to be performed under the contract, task order, or delivery order, the offeror shall identify in its proposal—

(i) The amount of the offeror’s indirect costs and profit applicable to the work to be performed by the subcontractor(s); and

(ii) A description of the added value provided by the offeror as related to the work to be performed by the subcontractor(s).

(3) If any subcontractor proposed under the contract, task order, or delivery order intends to subcontract to a lower-tier subcontractor more than 70 percent of the total cost of work to be performed under its subcontract, the offeror shall identify in its proposal—

(i) The amount of the subcontractor’s indirect costs and profit applicable to the work to be performed by the lower-tier subcontractor(s); and

(ii) A description of the added value provided by the subcontractor as related to the work to be performed by the lower-tier subcontractor(s).

(End of provision)

DFAR 252.215-7004, EXCESSIVE PASS-THROUGH CHARGES (MAY 2008)

(a) *Definitions.* As used in this clause—

“Added value” means that the Contractor performs subcontract management functions that the Contracting Officer determines are a benefit to the Government (e.g., processing orders of parts or services, maintaining inventory, reducing delivery lead times, managing multiple sources for contract requirements, coordinating deliveries, performing quality assurance functions).

“Excessive pass-through charge,” with respect to a Contractor or subcontractor that adds no or negligible value to a contract or subcontract, means a charge to the Government by the Contractor or subcontractor that is for indirect costs or profit on work performed by a subcontractor (other than charges for the costs of managing subcontracts and applicable indirect costs and profit based on such costs).

“No or negligible value” means the Contractor or subcontractor cannot demonstrate to the Contracting Officer that its effort added value to the contract or subcontract in accomplishing the work performed under the contract (including task or delivery orders).

“Subcontract” means any contract, as defined in section 2.101 of the Federal Acquisition Regulation, entered into by a subcontractor to furnish supplies or services for performance of the contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

“Subcontractor” means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for the Contractor or another subcontractor.

(b) *General.* The Government will not pay excessive pass-through charges. The Contracting Officer shall determine if excessive pass-through charges exist.

(c) *Required reporting of performance of work by the Contractor or a subcontractor.* The Contractor shall notify the Contracting Officer in writing if—

(1) The Contractor changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of work to be performed under the contract, task order, or delivery order. The notification shall identify the revised cost of the subcontract effort and shall include verification that the Contractor will provide added value; or

(2) Any subcontractor changes the amount of lower-tier subcontractor effort after award such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).

(d) *Recovery of excessive pass-through charges.* If the Contracting Officer determines that excessive pass-through charges exist—

(1) For fixed-price contracts, the Government shall be entitled to a price reduction for the amount of excessive pass-through charges included in the contract price; and

(2) For other than fixed-price contracts, the excessive pass-through charges are unallowable in accordance with the provisions in Subpart 31.2 of the Federal Acquisition Regulation (FAR) and Subpart [231.2](#) of the Defense FAR Supplement.

(e) *Access to records.*

(1) The Contracting Officer, or authorized representative, shall have the right to examine and audit all the Contractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the Contractor proposed, billed, or claimed excessive pass-through charges.

(2) For those subcontracts to which paragraph (f) of this clause applies, the Contracting Officer, or authorized representative, shall have the right to examine and audit all the subcontractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the subcontractor proposed, billed, or claimed excessive pass-through charges.

(f) *Flowdown*. The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts under this contract, except for—

- (1) Firm-fixed-price subcontracts awarded on the basis of adequate price competition;
- (2) Fixed-price subcontracts with economic price adjustment, awarded on the basis of adequate price competition;
- (3) Firm-fixed-price subcontracts for the acquisition of a commercial item; or
- (4) Fixed-price subcontracts with economic price adjustment, for the acquisition of a commercial item.

(End of clause)

FAR 52.232-99, Providing Accelerated Payment to Small Business Subcontractors (DEVIATION) (AUG 2012)

- (a) *Upon receipt of accelerated payments from the Government, the contractor is required to make accelerated payments to small business subcontractors to the maximum extent practicable after receipt of a proper invoice and all proper documentation from the small business subcontractor.*
- (b) *Include the substance of this clause, including this paragraph (b), in all subcontracts with business concerns.*
- (c) *The acceleration of payments under this clause does not provide any new rights under the Prompt Payment Act.*

(End of clause)

9.0 Reference Information: *Workforce Projection*

10.0 CONTRACTOR MANPOWER REPORTING

Section 2330a of title 10, United States Code (10 USC 2330a), requires the Secretary of Defense to submit to Congress an annual inventory of contracts for services performed during the prior fiscal year for or on behalf of the Department of Defense (DoD). The inventory must include the number of contractor employees using direct labor hours and associated cost data collected from contractors.

The prime contractor shall report all contractor labor hours and cost data (including subcontractor labor hours and cost data) required for performance of

services provided under this contract. The prime contractor is required to completely fill in all required data fields in accordance with the contractor's user guide instructions found at <http://www.ecmra.mil>.

Reporting inputs will be for the labor executed during the period of performance for each Government fiscal year (FY), which runs 1 October through 30 September for the life of the contract. While inputs may be reported any time during the FY, all data shall be reported no later than 31 October* of each calendar year. Contractors may direct questions to the CMRA help desk.

*Reporting Period: Contractors are required to input data by 31 October of each year. However, due to the delayed implementation, input of FY12 data is required by 31 Mar 13.

Uses and Safeguarding of Information: Information from the secure web site is considered to be proprietary in nature when the contract number and contractor identity are associated with the direct labor hours and direct labor dollars. At no time will any data be released to the public with the contractor name and contract number associated with the data.

User Manuals: Data for Air Force service requirements must be input at the Air Force CMRA link. However, user manuals for government personnel and contractors are available at the Army CMRA link at <http://www.ecmra.mil>.

11.0 Attachment

1. Travel Expense Summary